DRAWING

The requirement to label figures 1 and 2 as prior art is respectfully traversed. It is not clear to the undersigned that these figures are known in the art. Often, recognizing a problem in a conventional system is the heart of invention. Accordingly, the particular analysis presented in these figures may very well not be known in the art. Why does the Examiner think it is known? The mere facts that: Applicant presents this analysis in the early pages of the application; and/or that the analysis may be of a prior system, do not constitute an admission that someone else has previously drawn these specific graphs.

Claim 3 has been labeled as requested by the Examiner, since the application does say that this figure shows a conventional system.

SECTION HEADINGS

Applicant respectfully declines to add the suggested optional section headings.

CLAIM OBJECTION

The requirement to add more reference numerals to claim 32 is respectfully traversed. Reference numerals are optional and are not considered claim limitations and adding more will just clutter the claim. Applicants nevertheless gratefully acknowledge any possible broader reading of the claim limitations that the Examiner notices.

C:\My Documents\Anne\legal practice\Philips\prosecution\nl010327 -- am2.doc

REJECTIONS UNDER SECTION 112

The rejections of claims 21 and 24 are respectfully traversed as being without basis in law.

Claim 21 sets forth "an available amount of computing resources" and then refers to that recitation as "said available amount of resources." This reference is clear and is adequately supported. Antecedent basis does not require that each and every word of the original recitation be repeated. Indeed, such repetition often only unduly clutters a claim and makes it less clear and readable.

Claim 24 depends on 23, which depends on 22, which depends on 20. Claim 20 recites "a given complexity characteristic for an acceptable distortion level". Claim 24 recites "said complexity-distortion characteristic," which again clearly refers back to the prior recitation, even though the wording is different.

Applicant respectfully submits that these recitations are clear to one of ordinary skill in the art.

ART REJECTIONS

The art rejections are respectfully traversed.

Since the references are complex and there are three of them, Applicants will confine their remarks to those portions of the references cited by the Examiner, except as C:\My Documents\Anne\legal practice\Philips\prosecution\nl010327 -- am2.doc

otherwise indicated. Applicants make no representation as to the contents of other portions of the references.

Any of the Examiner's rejections and/or points of argument that are not addressed below would appear to be moot in view of the following. Nevertheless, Applicants reserve the right to respond to those rejections and arguments and to advance additional arguments at a later date. No arguments are waived and none of the Examiner's statements are conceded.

Curiously, even though there is a new Examiner, the name of the principal reference is still being misspelled. It is Chau, not Chan.

Claims 20 and 32

Claim 20 recites a scalable MPEG2 video decoder. The final paragraph recites a plurality of modes each having a given complexity characteristic for an acceptable distortion level of an output of the decoder. The controller selects one these modes based upon the given complexity characteristic. These recitations carry the scalability into the body of the claim.

Applicants are unable to discern from the rejection where Chau may deal with scalability. Applicants believe, as indicated in their prior response, that Chau only has a single mode as far as distortion level of the <u>output</u> is concerned. Varying amounts of C:\My Documents\Anne\legal practice\Philips\prosecution\nl010327 -- am2.doc

processing resources are used depending on the complexity of the macroblock <u>input</u>, which is related to motion compensation. Accordingly Applicants do not understand why Chau is considered pertinent.

Applicants went to the PTO website and searched the text of Chau & could not find the words "scaling," "scalable," or "scalability."

Moreover, Applicants understand, as explained before, the Chau teaches away from the use of an inverse quantizer, because the inverse quantizer is stated to be prior art and the disclosed invention does not use it. Therefore it is not clear why one of ordinary skill in the art would combine Chau with Panusopone to add an inverse quantizer.

Applicants respectfully submit that this cobbling together of references contrary to their teachings constitutes impermissible hindsight in light of Applicants' disclosure.

Further, the Examiner does not indicate how Panusopone relates to scalability of the output, either. Applicants searched the text and do find the word "scalability," but so far as Applicants can tell the reference only relates to translating between MPEG 2 and MPEG 4 in a transcoder, not to creating different output distortion levels relating to scalability in a decoder.

The Examiner now cites Picinelli to correct acknowledged deficiencies in the first two references. In referring to Picinelli at the bottom of page 5 of the office action, the

Examiner points to portions of the reference that deal with coding rather than decoding.

The claimed invention relates to decoding.

Moreover, the portions cited seem to have nothing to do with scalability at all.

The Examiner admits that the different modes allow for more efficient compression and better image quality. Other types of distortion other than those associated with scalability appear to be dealt with in Picinelli.

The undersigned searched the text of Picinelli online for the words "scaling," "scalable," and "scalability" and could find none of these words.

Applicants accordingly respectfully submit that all three references are similarly deficient in not dealing with controlling a distortion characteristic of an output related to scalability; and therefore that the Examiner has failed to make a *prima facie* case of obviousness against claim 20.

The limitations of independent claim 32 are similar with respect to the arguments given above with respect to claim 20.

Dependent claims

It is not entirely clear to Applicants whether the Examiner understands these independent claims. Therefore, Applicants have added new dependent claims 41 and 42,

which distinguish even more clearly over the references with respect to the scalability aspect.

With respect to claims 21 and 33, the Examiner asserts that Chau teaches the controller selecting a mode. Applicants have reviewed the cited sections of Chau and respectfully submit that the Examiner misinterprets them. Applicants understand this section to relate to comparing a "present" mode with a "traditional" mode, in other words a comparison with the prior art. Applicants do not see anything about a controller selecting a mode. Moreover, so far as Applicants can tell, the modes have to do with how the input is processed, rather than a characteristic of an output that is related to scalability.

With respect to the final paragraph on page 6 of the office action through the top of page 7, Applicants note that the Examiner states that modes are selected by Chau col. 6, lines 8-18; but Applicants don't find that. The reference merely indicates that some macroblocks may take more time than others. Applicants do not understand how this relates to the modes as claimed.

The Examiner characterizes Figures 4a and 4b of Panusopone as showing two modes of operation. Applicants understand these two figures as representing two parts of the same circuit, not two modes. The Examiner appears to be pointing to lines 424 and 422. As far as Applicants can tell, these two lines relate to two different types of pixel C:\My Documents\Anne\legal practice\Philips\prosecution\nl010327 -- sm2.doc

data that are provided from the IDCT as part of transcoding. Applicants do not see where this has any relationship to a controller selecting output distortion characteristics that relate to scalability.

Applicants respectfully submit that the Official Notice taken on page 7 of the Office Action is improper. Official notice is supposed to be reserved for findings that a concept is notoriously well known, not that a concept is arguably obvious.

In the second paragraph of p. 7 of the office action the Examiner cites column 7, lines 11-31 as relating to scalability. Applicants have read this section and believe that the Examiner is mischaracterizing it. Applicants find here nested loops for processing macroblocks that have to do with motion compensation. Applicants are not finding anything about scalability here. Why does the Examiner think this has to do with scalability or with modes? The Examiner also cites col. 8, lines 25-30 as relating to scalability. Again, Applicants find that this section relates to pausing processing of macroblocks relating to motion compensation and not to scalability. Why does the Examiner think that this relates to scalability?

In the third paragraph of p. 7 of the Office Action, the Examiner cites col. 5, lines 15-19 and Fig. 5. Again, Applicants are unable to discern why these sections relate to complexity/distortion characteristics of an <u>output</u> rather than an input, or how they may be related to scalability.

C:\My Documents\Anne\legal practice\Philips\prosecution\nl010327 -- am2.doc

For the reasons given above Applicants respectfully submit that the Examiner has failed to make a *prima facie* case against the claims. Reconsideration and allowance are accordingly respectfully requested.

Please charge any fees other than the issue fee to deposit account 14-1270.

Please credit any overpayments to the same account.

Applicants respectfully submit that they have addressed each issue raised by the Examiner — except for any that were skipped as moot — and that the application is accordingly in condition for allowance. Allowance is therefore respectfully requested.

Respectfully submitted,

Bv

Anne E. Barschall, Reg. No. 31,089

a/ Baen Call)

Tel. no. 914-332-1019

Fax no. 914-332-7719

Date of printing: June 5, 2006

In house contact at assignee:

Michael Belk

Reg. No. 33,357

Tel. # 914-333-9643